



Wyoming Lender Alert

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December 2004

Steven Despain, District Director

Making a Difference for Small Business in Wyoming



Steven F. Despain
Wyoming District Director

Commitment to Women Bears Significant Results

As part of the U.S. Small Business Administration's record breaking performance in FY 2004, the agency and its lending partners provided more loans to women-owned businesses than ever before. In the past year SBA backed almost 18,000 loans to women-owned businesses under its two primary loan programs, amounting to \$2.5 billion, more than double the number of loans to women as recently as FY 2001. "All of our program areas are committed to assisting women's businesses, a commitment that comes directly from the President."

Aside from the record-setting loan performance, SBA noted that women-owned small businesses also received \$1.5 billion more in federal contracts in FY 2003, the most recent year for which data is available. The total value of federal contracts to women-owned businesses rose from \$6.8 billion to \$8.3 billion, a total of 2.98

percent of all federal prime contract dollars. From FY 2000 to FY 2003, prime contract dollars increased by 81 percent, or more than \$3.7 billion.

In the last two years the SBA has also embarked on the highly successful Business Matchmaking program to create more contracting opportunities for small businesses. Since its inception, the Business Matchmaking program has created approximately 22,000 one-on-one appointments between small business owners and buyers from federal and local governments as well as buyers from the private sector. Of those businesses that received contracts, 50 percent have been women-owned businesses. Women-owned businesses have also received 65 percent of the contracting dollars.

For more information on SBA and its programs visit www.sba.gov/wy.

Steven F. Despain
District Director
Wyoming District Office



National Lender's Guide Now Available

The SBA National Lender's Guide is now available on the SBA web page at www.sba.gov/banking. This comprehensive guide includes

chapters on loan eligibility, processing, closing, servicing, litigation and guaranty purchase. It is an excellent resource for every lender involved in SBA lending and an essential training tool for lenders new to SBA programs. If you cannot access the guide from our web page, call the Wyoming District Office Finance Division, (307) 261-6505 and we will be happy to provide more information.

Technical Assistance Programs Reach Record in 2004

More than 2.44 million people interested in starting a business or expanding an existing one consulted with one of the U.S. Small Business Administration's technical assistance programs during FY 2004, a record for the agency's programs.

"The President's small business agenda seeks to continue expanding business ownership across America," SBA District Director, Steven Despain said. "These numbers show that more and more Americans want to participate in the President's Ownership Society, and they're looking to the SBA for help. They also show that the SBA is having a greater impact on entrepreneurship every day, helping to extend prosperity to all parts of America."

The most popular technical assistance program was the Small

Business Training Network/E-Business Institute, which offers 80 free online courses, workshops and resources in a virtual campus setting designed to assist entrepreneurs and other students of enterprise. The Training Network Web site recorded almost 958,000 users during FY 2004.

Under the direction of the SBA's Office of Entrepreneurial Development, a record 2.44 million entrepreneurs received business counseling and technical assistance through one or more of the agency's counseling and training programs:

- Small Business Development Centers counseled 725,799 clients;
- SCORE, Counselors to America's Small Businesses, counseled 468,152 clients, nearly a quarter of them through its innovative online counseling system;
- SBA Business Information Centers reached 168,640 people;
- The SBA Small Business Training Network/E-Business Institute Web site registered 957,921 users;
- SBA Women's Business Centers provided assistance to 122,712 people.

Along with the records established for the SBA's technical assistance and business counseling programs, the agency's small business financing programs produced a record level of investment in FY 2004, as well. The SBA and its lending partners surpassed the previous lending record in both the flagship 7(a) and 504 loan programs, and established volume records in loans to women, minorities, and veterans.

All told, the SBA provided \$19.29 billion in loans and venture capital

financing for 87,800 small businesses in FY 2004, compared to \$15.24 billion for 71,200 small businesses in FY 2003.

SBA's new 'Business.Gov' Web Site Will Connect Business with Federal Agencies

The U.S. Small Business Administration has launched a Web site that will serve as *the* business gateway for American businesses to connect with federal agencies, providing specific business tools and resources.

One of 24 "e-government" initiatives of the federal government, www.business.gov is an official Web site of the U.S. Government and is operated and maintained by the SBA.

"In today's fast-paced marketplace, small business owners need a single Web site where they can access vital information quickly," said District Director Terri Denison. "This new site gives them the timely data they need."

www.business.gov provides information and links to:

- *Business Development:* information on starting, managing, and marketing a business;
- *Financial Assistance:* resources for capital and credit;
- *Taxes:* federal and state tax resources, forms and assistance;
- *Laws and Regulations:* Laws, regulations and other resources that affect business;
- *Federal forms and Buying and Selling:* links for doing business with the federal government.

Improving Data Quality of Loan Agent Information in E-Tran Loan Processing

The U.S. Small Business Administration is required to collect certain information regarding the involvement of loan agents in applications for financial assistance from SBA [13 C.F.R. §103.5]. Loan agents include any authorized representative, including a consultant, packager, broker or any other person representing an applicant or participant in a loan transaction. [See 13 C.F.R. §103.1(a)]. As with the collection of all data, the quality and accuracy of the data is important for oversight purposes. To this end, SBA is requiring that its lending partners be sure that accurate information regarding loan agents is entered into the E-Tran system.

Historically, SBA has collected information from loan agents only on applications submitted on paper. This information, however, is now also part of the recently implemented E-Tran electronic method of submitting loan guaranty requests. The E-Tran system asks lenders to identify whether a loan agent is the "source" of the loan. The purpose of this data is to determine whether a loan agent has been involved with the lending transaction. Therefore, for each loan submitted through E-Tran, lending partners must identify whether a loan agent was involved in any way with the transaction, and, if so, provide the name, street address, city, state and zip code of the loan agent.

Record Demand Continues for Government-Backed Small Business Loans

The U.S. Small Business Administration reported that since

the start of the fiscal year, during the period of October 1 through October 22, the agency approved a total of 6,215 loans for a total dollar amount of \$1.036 billion in its flagship 7(a) loan guarantee program.

Net of carry-over loan applications received before October 1, the SBA approved 4,669 loans for \$659 million. That compares to 4,205 loans approved for just under \$644 million for the same period last fiscal year. Excluding carry-over applications, the average daily loan volume is approximately \$50 million, higher than during the same period last fiscal year.

The increase in loan volume indicates that, as expected, the small increase in fees in October to the levels found between 1995 and 2001 has not significantly affected demand. In the process, the 7(a) program is now at zero subsidy, where it has become self supporting through fees paid by the borrowers and lenders, returning millions of dollars to the taxpayer while continuing to grow to record levels.

SBA's District Director, Steven Despain, said that "We have started off the fiscal year with a solid demand for loans, running at a higher rate than last year. This clearly indicates that small businesses are being started and expanding, they have confidence in the economy and in the process are creating jobs."

The increases follow very successful growth in the lending program. In fiscal year 2004, which concluded on September 30, the agency disbursed 74,825 loans for \$12.5 billion in the 7(a) program, surpassing a record set the previous fiscal year.

"The 7(a) lending program is running very well and that is good for small businesses," Despain said.

Economic Injury Loans Due to Drought

Small businesses dependent on agriculture producers are eligible to apply for Economic Injury Disaster Loans to help meet operating expenses that cannot be met because of the disaster.

Farmers and ranchers are not eligible for assistance from SBA but may be eligible under programs offered by other federal agencies.

To apply, small businesses may contact SBA toll-free at 1-800-366-6303 or TDD 817-267-4688 for the hearing impaired.

Declared Counties for Wyoming:

- Big Horn
- Carbon
- Park
- Teton
- Wheatland
- Yellowstone

Adjacent Counties: (eligible for Economic Injury Disaster Loans)

- Big Horn
- Campbell
- Crook
- Park
- Sheridan

Remember, the disaster declarations are time sensitive and do expire. Please call our toll free number for more information, 1-800-776-9144.

Address Change for the Small Business Administration Office in Casper

Just a reminder that the Wyoming District Office has a new address.

Although the Postal Service will forward our mail for the next year, it would be helpful if you would change your records to reflect our new address:

Small Business Administration
Wyoming District Office
100 East "B" St., Room 4001
Federal Building, P.O. Box 44001
Casper, Wyoming 82602-5013

The telephone number remains the same 307-261-6500 or toll free 800-776-9144, extension 1.

Upcoming Events

December 1 – Women's Roundtable Casper

December 2 – Women's Roundtable Laramie

December 7 – Women's Roundtable Jackson

December 16 – Women's Roundtable Powell

December 21 – Women's Roundtable Cody

December 28 – WNET Call



*Merry Christmas
from the
SBA Wyoming
District Office*